

## NEW STRATEGIC PLAN: "LEAD & GROW"

### SAINT-GOBAIN LEVERAGES ITS LEADERSHIP TO ACCELERATE ITS PROFITABLE GROWTH

After the success of its previous plan ("Grow & Impact"), **Saint-Gobain, the worldwide leader in light and sustainable construction, launches its new strategic plan, "Lead & Grow". With #1 positions in every region and its country-based operating model**, well-adapted to its local markets and a deglobalized world, the Group is **raising its profitable growth trajectory**, targeting:

- **Outperformance** thanks to an **unrivalled suite of solutions**, delivering performance and sustainability for buildings and enabling the Group to increase its exposure to **non-residential and infrastructure**
- **A strategy focused on growth and value creation** with:
  - Around **€12bn in growth capex and acquisitions**<sup>[1]</sup> over the period 2026-2030
  - Continued **optimization of the Group's profile** with asset rotation expected to represent over **20%** of sales by 2030
- **An ambitious financial trajectory** over the period 2026-2030, with targets raised:
  - **Mid-single-digit sales growth on average** in local currencies<sup>[2]</sup> with market **outperformance of 1 to 2 points**
  - **EBITDA margin of between 15% and 18%**<sup>[3]</sup>
  - **Free cash flow conversion ratio above 50%**
  - **ROCE above 13%**
- **Attractive shareholder returns** with around **€8bn** expected to be distributed in dividends and share buybacks by 2030

#### **Benoit Bazin, Chairman and Chief Executive Officer, commented:**

*"As the worldwide leader in light and sustainable construction, Saint-Gobain is best positioned to address the key challenges of the construction sector thanks to its full suite of innovative and sustainable solutions. Over the last few years, the Group has demonstrated the strength of its new profile and its capacity for execution with its "Grow & Impact" plan. With "Lead & Grow", the Group further elevates its trajectory for growth, profitability and value creation for its shareholders and customers. In the current geopolitical context Saint-Gobain benefits from the powerful operating model it has established and optimized country-by-country, based on local value chains.*

*Thanks to the know-how and commitment of our teams, I am confident we will outperform in each geography and seize major opportunities: in Asia and high-growth countries driven by demographics and urbanization, in North America with strong structural needs, and in Europe with significant potential for recovery. We will also expand into new growth markets: in infrastructure, particularly thanks to our established leading position in construction chemicals, and in non-residential, where the Group holds key advantages. We are building the world of today and tomorrow with ambition and responsibility."*

## **World no. 1 in light and sustainable construction...**

**Saint-Gobain is unique in offering a comprehensive suite of solutions optimizing performance and sustainability for new construction and renovation, as well as for infrastructure.** These include exterior solutions (roofing, façade, glazing), interior solutions (plasterboard partitions, insulation, ceilings), construction chemicals (waterproofing and sealing, mortars, adhesives and coatings for floors and walls, admixtures and additives for concrete and cement), as well as trade (including consulting, specification and digital services).

**The Group has a global addressable market worth approximately €500 billion with strong growth opportunities** in both residential and non-residential as well as infrastructure. It benefits from a strong industrial footprint and is ideally positioned, country by country, to address key construction challenges in each main geographic area:

- **Demographic growth and urbanization**, especially in Asia and emerging countries;
- **Jobsite productivity and energy-efficient renovation** mainly in Europe, along with the adaptation of

- **Costs productivity and energy-efficient renovation** mainly in Europe, along with the adaptation of buildings and infrastructure to **climate change**, particularly in North America;
- **Industrial re-shoring** associated with deglobalization;
- **Circular economy** to address resource scarcity.

**Saint-Gobain benefits from its attractive geographic presence** spanning Western Europe, with a strong potential for recovery, North America, with a structurally supportive market, and Asia and emerging countries, driven by demographics and urbanization. **Through "Lead & Grow", the Group intends to increase its exposure to high-growth geographies** - North America, Asia-Pacific and emerging countries - which it expects to account for close to **60% of its sales** in the long-term, compared to around 50% today.

**Country platforms are key to the success of the Group's business model:** drawing on the Saint-Gobain brand and the depth of its offer, these platforms are **growth compounders** on their markets, managed by CEOs native to their country and teams that are fully accountable for their perimeter (on EBITDA, free cash flow, ROCE).

The Group is **shaping the transformation of construction** and has become **the reference with its sustainable solutions offer** representing almost **75% of its sales**. Saint-Gobain has a clear positive impact on its value chain: solutions sold by the Group in one year result in around 1 billion tons of avoided CO<sub>2</sub> emissions over their lifespan. Regarding its own decarbonization trajectory, Saint-Gobain has already cut its CO<sub>2</sub> emissions by 34% since 2017 and is now targeting a **CO<sub>2</sub> emissions reduction** (scope 1 and 2) **of between 40% and 45%** by 2035 (versus 2017), aligned with its commitment to achieve net zero carbon emissions by 2050.

## ... With an enhanced growth outlook

### Solutions: a competitive advantage for Saint-Gobain

To meet the expectations of its customers across the entire value chain, the Group develops **comprehensive and innovative solutions** that together, **offer greater sustainability and performance benefits:**

- For owners: **increased value** (energy efficiency, climate resistance, low-carbon solutions and circularity);
- For occupants: **comfort and well-being** (thermal, acoustic, visual and air quality performance);
- For architects and contractors: **specification and consulting**, jobsite **productivity**, **circular materials**.

**Saint-Gobain is accelerating on cross-selling**, upscaling through solutions offering **high value-added** and integrated systems, and growing its share of **specified sales** through a country-based key account strategy. Solutions are deployed across **all sales channels** (professional merchandising, DIY distribution, direct sales and digital sales), leading to **commercial outperformance**, an **enriched sales mix and higher margins**.

### Markets with high growth potential: non-residential and infrastructure

The widening of the Group's offer over the past few years has opened up major **growth opportunities in non-residential** (including educational and healthcare facilities, hotels and data centers) **and infrastructure** (transport, energy). Saint-Gobain generates €15 billion revenues in a market that is worth around €250 billion today, and has developed tailored offerings centered around differentiated and innovative "hero" flagship products, driving sales for the Group's entire offer:

- **Healthcare facilities:** solutions for summer comfort, X-ray protection, hygiene, air quality and acoustic comfort;
- **Data centers and clean industries:** solutions for speed of construction, low-carbon partitions and concrete, airflow management and improved thermal insulation;
- **Bridges and tunnels:** technical waterproofing, specialty admixtures, expansion and injection grouts, repair and protection mortars;
- **Airports:** runway reinforcement, fire-resistant and fire safety glass, solar controlled façades, technical flooring and acoustic partitions.

### The Group has unique assets to grow in these high-potential markets:

- **Specification sales teams** by country targeting complex or large-scale projects, leveraging key account management and flagship projects;
- **Innovation capabilities**, supported by building science and artificial intelligence, which allow Saint-Gobain to play a pioneering role and to adapt its solutions to the specificity of each local market leveraging its regional research and development hubs;
- **Leading position in construction chemicals**, where the Group plans to increase sales from €6.5 billion today to **over €9 billion by 2030**, thereby **increasing its exposure to infrastructure**.

## An attractive strategy for shareholders

### Capital allocation focused on growth and value creation

Thanks to its strong cash generation, Saint-Gobain plans to allocate around **€20 billion of capital in a disciplined**

thanks to its strong cash generation, Saint-Gobain plans to allocate around 20 billion of capital in a disciplined manner over the period 2026 to 2030, combining growth and attractive shareholder returns while maintaining a solid balance sheet with a net debt to EBITDA ratio of between 1.5x and 2.0x:

- **Around €12 billion allocated to growth investments and acquisitions** (net of divestments), with strict criteria, whether for investments in additional capacity (IRR > 20%) or for acquisitions (value creation with ROCE > WACC by year 3). The focus will be on **consolidating leadership positions, high-growth countries and construction chemicals**;
- **Active optimization of the Group's profile** to continue to strengthen growth, profitability and value creation, **targeting a rotation of assets representing over 20% of its sales by 2030** (divestments and acquisitions).
- **Increased shareholder returns, expected at around €8 billion:**
  - o **Around €6 billion** to be distributed to shareholders as **dividends**, with the aim of regular growth in dividend per share;
  - o **€2 billion in share buybacks.**

**Financial targets raised: an ambitious trajectory over the period 2026-2030:**

- **Mid-single-digit sales growth on average** in local currencies<sup>1</sup>, with market **outperformance of 1 to 2 points**;
- **EBITDA margin between 15% and 18%<sup>2</sup>**;
- **Free cash flow conversion ratio above 50%**;
- **ROCE above 13%**

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**Saint-Gobain confirms its expectation for an operating margin of more than 11.0% for full-year 2025.**

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The Capital Markets Day will be held today both in person and online. The presentation will start at 2:00pm CET and will include a Q&A session for analysts and investors. The documentation and live stream will be available on the Saint-Gobain website:

<https://www.saint-gobain.com/en/finance/cmd-2025>

The webcast will be available on October 7, via the same link as above.

[1] Excluding any major economic slowdown and/or major divestment

<sup>2</sup> Versus previous "Grow & Impact" plan: operating margin target of 9% to 11%, equivalent to an EBITDA margin of 13% to 15%

## Glossary:

- **Changes in local currencies** reflect actual performance, applying exchange rates for the previous period to indicators for the period under review.
- **EBITDA**: operating income plus operating depreciation and amortization, less non-operating costs.
- **EBITDA margin**: EBITDA divided by sales.
- **Operating margin**: operating income divided by sales.
- **Free cash flow** = EBITDA less depreciation of right-of-use assets, plus net financial expense, plus income tax, less capital expenditure excluding additional capacity investments, plus change in working capital requirement over a rolling 12-month period.
- **Free cash flow conversion ratio** = free cash flow divided by EBITDA less depreciation of right-of-use assets.
- **IRR**: Internal Rate of Return
- **ROCE** (Return on Capital Employed): operating income for the period under review, adjusted for changes in Group structure, divided by segment assets and liabilities at period-end.
- **WACC**: Weighted Average Cost of Capital

All indicators contained in this press release (not defined above or in the footnotes) are explained in the notes to the interim financial statements available by clicking here: <https://www.saint-gobain.com/en/finance/regulated-information/half-yearly-financial-report>

## Important disclaimer - forward-looking statements:

This press release contains forward-looking statements with respect to Saint-Gobain's financial condition, results, business, strategy, plans and outlook. Forward-looking statements are generally identified by the use of the words "expect", "anticipate", "believe", "intend", "estimate", "plan" and similar expressions. Although Saint-Gobain believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, as at the time of publishing this document, investors are cautioned that these statements are not guarantees of its future performance. Actual results may differ materially from the forward-looking statements as a result of a number of known and unknown risks, uncertainties and other factors, many of which are difficult to predict and are generally beyond the control of Saint-Gobain, including but not limited to the risks described in the "Risks Factors" section of Saint-Gobain's Universal Registration Document and the main risks and uncertainties presented in the half-year 2025 financial report, both documents being available on Saint-Gobain's website ([www.saint-gobain.com](http://www.saint-gobain.com)). Accordingly, readers of this document are cautioned against relying on these forward-looking statements. These forward-looking statements are made as of the date of this press release. Saint-Gobain disclaims any intention or obligation to complete, update or revise these forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable laws and regulations. This press release does not constitute any offer to purchase or exchange, nor any solicitation of an offer to sell or exchange securities of Saint-Gobain.

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Markets and segments mentioned in this press release are not relevant markets within the meaning of applicable competition laws and regulations.

For further information, please visit [www.saint-gobain.com](http://www.saint-gobain.com)

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[1] Net of divestments

[2] Excluding any major economic slowdown and/or major divestment

[3] Versus previous "Grow & Impact" plan: operating margin target of 9% to 11%, equivalent to an EBITDA margin of 13% to 15%

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